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FISCAL IMPACT STATEMENT

LS 6927

BILL NUMBER: SB 208

NOTE PREPARED: Dec 30, 2008

BILL AMENDED:

SUBJECT: Filing date for amended property tax return.

FIRST AUTHOR: Sen. Randolph

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that a taxpayer may file an amended property tax return not later than three years after the later of: (1) the filing date for the original personal property tax return; or (2) the extension date for the original personal property tax return, if the taxpayer is granted an extension.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current law, business personal property tax returns must be filed by May 15th of each year. The local assessor may grant an extension through June 14th. Taxpayers may also file an amended return within six months of the filing date or extended filing date if an extension was granted. Beginning with original tax returns that are due after the bill's effective date, this bill would allow the amended return to be filed within the three years following the normal or extended filing date.

Currently, if an amended return is filed by July 15th, the tax bill payable in the following year reflects the updated values. If the amended return is filed after July 15th, the tax bill payable in the following year is based on the values reported on the original return. Overpayments, if any, are credited to the taxpayer's tax bill for the next tax year. Credits for overpayments reduce property tax collections in the year in which they are applied.

Since current law already addresses the payment schedule for amended returns filed after July 15th, the additional two and one-half years granted by this bill to file an amended return should have no impact on current year tax collections. If the longer amendment period encourages the filing of additional amended returns, then subsequent year tax collections could be affected.

State Agencies Affected: Department of Local Government Finance.

Local Agencies Affected: Local assessors; county auditors; Local civil taxing units and school corporations.

Information Sources:

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